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SUBJECT: WILDCAT STRIKES HIT EGYPTIAN TEXTILE FACTORIES

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Summary

1. (SBU) Thousands of textile workers have initiated wildcat strikes throughout Egypt's industrial heartland in recent weeks, demanding the same concessions exacted by striking workers at Egypt's largest public sector textile factory last December (reftel). Strikes have also taken place in the transport and agriculture sectors, among others. Police action against the illegal strikes has thus far been limited, but the prospect exists for more severe clashes. The Ghazl El Mehalla strike, and its aftermath, has ignited strong demands from workers for more independence from the NDP-controlled national trade unions. End summary.

Textile Workers Strike

2. (SBU) Thousands of textile workers, in multiple Nile Delta textile factories, have taken wildcat strike action in recent days. The protests have included work stoppages and sit-ins, and, in one instance, workers are threatening to go on hunger strike. In El-Behera, an estimated 10,000 workers at the Kafr El-Dawar Spinning and Weaving Factory are striking to demand increased salaries and bonuses. The workers' demands, posted outside the factory gate, include: a bonus payment of one-and-a-half months salary, increased monthly incentives, the firing of the company's Chairman, and GOE payment of the company's accumulated debts (of approximately USD 260 million).

3. (SBU) The prospects of privatization also loom large over the disputes. In Shebeen El Kom, approximately 4,000 workers angry with the imminent takeover of the factory by a foreign investor (Indian multi-national Andurama) began on January 31 a sit-in strike demanding payment of bonuses prior to the handover. As of February 6, the parties had not reached a resolution. The new investor formally took over control of the factory on February 1.

4. (SBU) Common among the various textile strikes is the demand for a bonus payment commensurate with the 45-day bonuses paid to striking workers at the Ghazl El-Mehalla Textile in December 2006 (reftel). On February 6, striking workers at the Delta Textile Company factory in Zefta called off their protest after exacting a 45-day bonus from management. The workers said they would resume their strike if not paid within four days. Approximately 9,000 workers from the El Beda Company and Artificial Silk Company factories initiated strikes on February 5 demanding the same

deal.

15. (SBU) Police presence at the strikes has been evident, although serious violence has been avoided. According to some worker-sympathetic blogs, police "karate teams" have been brought in to wrest control of factory gates. Some labor rights advocates are also accusing police of trying to "starve the workers out" by prohibiting family members from bringing striking workers food and drink.

"The Revolution of the Hungry"

16. (SBU) Providing a backdrop, and perhaps guidepost, for the series of recent wildcat strikes is the ongoing dispute at Ghazl El Mehalla, Egypt's largest public sector factory with over 27,000 workers. Despite the government concessions that ended the December wildcat action, employee complaints persist about unfair treatment and the role of the factory council (local union) heads. Workers accuse the factory heads of having sided with the employers in the December unrest and of existing merely to implement the governing National Democratic Party (NDP) agenda.

17. (SBU) Workers from Ghazl El Mehalla recently traveled to Cairo to present a petition bearing 13,000 signatures to the national General Union for textile workers demanding the impeachment of the factory council and new elections. If the demands are not met, the workers have threatened to resign en masse from the recognized union and form a movement independent of the national trade union federation, thereby contravening labor organization laws. The Egyptian Trade Union Federation (ETUF), founded in 1957, is the sole legal

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national trade union federation. If undertaken, the move to form an independent union, although previously threatened by groups including the Muslim Brotherhood, would be unprecedented.

18. (SBU) Workers' spokesman Mohamed El-Attar calls the movement "The Revolution of the Hungry," drawing reference to the low salaries the workers receive. Among the other chief complaints are charges of corruption and vote-rigging in union elections and poor sanitary conditions in the factory. El-Attar claims the workers have a constitutional right to form an independent union, and that the current union leadership are merely stooges of the NDP and therefore illegitimate.

Strikes Hit Other Sectors

19. (SBU) In addition to the unrest in the textile factories, workers in Egypt's railroads, poultry farms, hospitals, and trucking companies have also carried out unauthorized strike action in recent days. Locomotive operators, joined by sympathetic subway drivers, protested the non-payment of bonuses to incapacitated drivers by going on strike in Cairo's central train station. The strike shut down a main commuter route for several hours and forced GOE concessions.

110. (SBU) On February 5, truck drivers protesting an increase in tolls on the Cairo-Ain Soukhna Road (a gateway road to the Red Sea Province), barricaded toll stations with their trucks and brought traffic to a standstill. According to some reports from bloggers and human rights NGO's, talks with police eventually broke down and police clashed with the protesters. The trucks eventually dispersed but it is unclear whether or not the toll dispute is ongoing.

111. (SBU) Three-thousand workers at the Cairo Company for Poultry engaged in a multi-day strike on February 4 over management's refusal to pay workers compensation for

work-related hazards related to avian influenza, in addition to demands for salary increases to compensate workers for rising food prices. Workers called off the strike to give workers' representatives, trade union officials, and company management an opportunity to negotiate a compromise solution. Workers have refused to cash their paychecks until the parties reach an agreement.

Where's Aisha?

¶12. (SBU) Minister of Manpower Aisha Abdel Hady has been noticeably absent from the discussions over the latest strikes. Despite her direct involvement in brokering the El-Mehalla deal, Abdel Hady has not yet become overtly involved in the current disputes. This may be due to recent travel to Riyadh, where she engaged the Saudis on issues related to the large Egyptian expatriate workforce there. Observers believe Abdel Hady, who takes pride in her shop floor roots, will soon enter the fray.

COMMENT

¶13. (SBU) Regardless of whether the Ghazl El-Mehalla workers carry out their threat to form a union independent of ETUF, their rhetoric alone is a serious challenge to the GOE to address their grievances, and casts an unflattering light on NDP dominance and manipulation of the established labor structure. Ghazl El-Mehalla is Egypt's largest public sector factory, and workers elsewhere appear to be taking their cue from the El-Mehalla events and are pressing for demands without the blessings of the established factory councils. Aside from some reports of violent strike-breaking, police action thus far appears to be restrained. However, since these strikes are illegal under Egyptian labor law, and are hitting a vital industry, prolonged stoppages will likely see an intensification of police action.
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